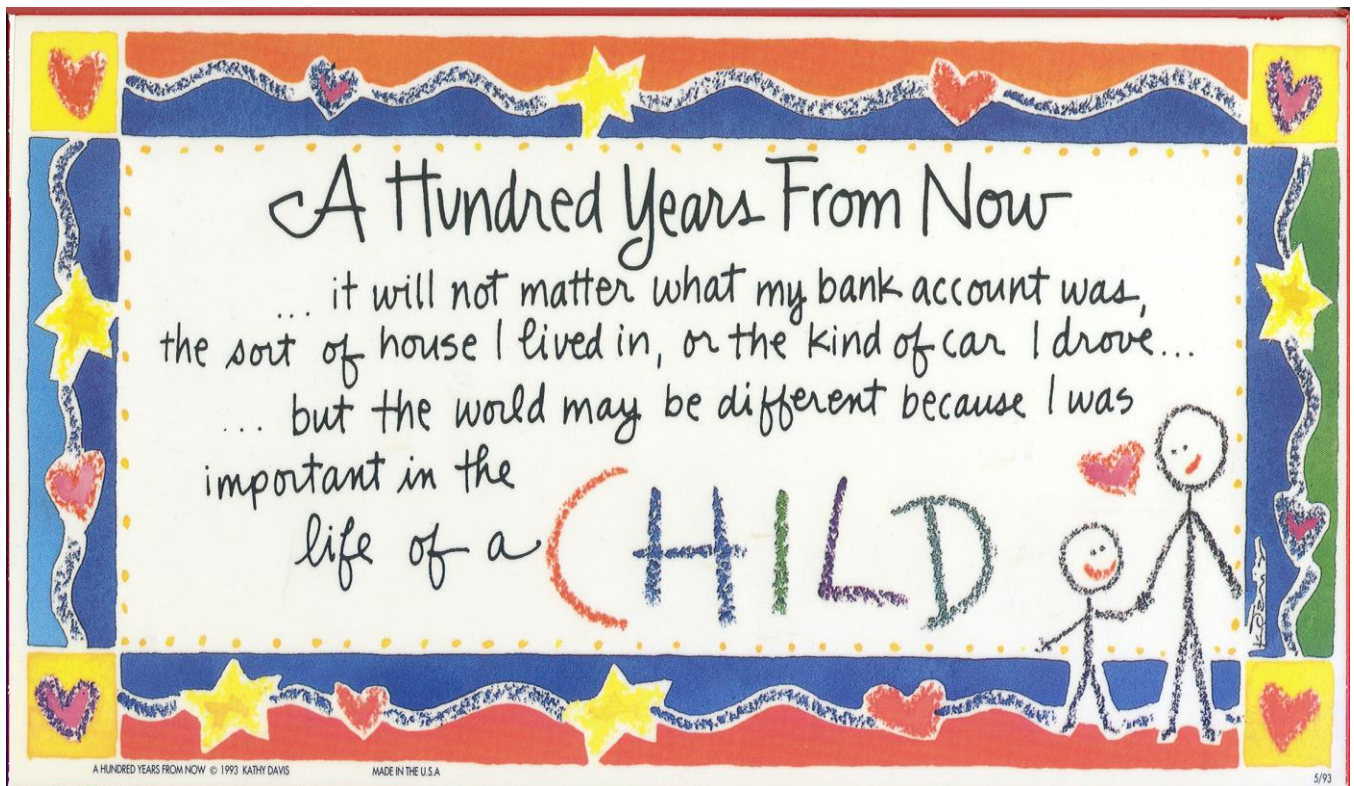


Jefferson County Child Support



**2007
Annual Report**

Jefferson County
Child Support Enforcement
320 S Main St
Courthouse – Room 219
Jefferson, WI 53549

April 8, 2008

Dear Ms. Schmeling,
Members of the Jefferson County Board,
Mr. Petre,
Other Interested Parties:

Thank you for this opportunity to present to you the 2007 annual report of the Jefferson County Child Support Enforcement Agency.

The Jefferson County Child Support Agency provides full services to approximately 3,700 families in our county. We also provide partial services in the form of monitoring and adjusting financial records for another 1,300 family law case participants who do not apply for IV-D services. The Jefferson County child support program reflects the federal intent that it becomes less a revenue stream to reimburse government for welfare expenditures, and more a source of income for families. As such, \$13,802,182.35 in total collections passed through the Trust Fund to the Jefferson County families in 2007.

The child support team worked with one less person this past year but was still successful in maintaining our high standards in the four areas that are measured for program performance: Paternity Establishment, Court Order Establishment, Current Support Collections, and Arrears Cases with Collections. We work together to offer a family-first program, helping to ensure families' self-sufficiency by making child support a more reliable source of income.

We deeply appreciate the continued support and interest of this County Board of Supervisors and Mr. Petre. Through our united efforts we continue to meet our commitments to children and families.

Sincerely,

Elaine E. Richmond

JEFFERSON COUNTY CHILD SUPPORT AGENCY

STAFF LISTING

ATTORNEYS

Elaine E. Richmond, Director
Thomas E. Antholine

CHILD SUPPORT SUPERVISOR

Stacee Schuck

CHILD SUPPORT SPECIALISTS

Maria Nicholson, Enforcement
Jennifer Zink, Enforcement
Kathie Orval, Paternity/Enforcement
Tammy Tomczak, Paternity/Enforcement
Carolyn Swart, Financial
Kristie Dorn, Financial

CHILD SUPPORT LEGAL ASSISTANTS

Laura Danielson, Enforcement
Denise Skelly, Enforcement
Tanya Crist, Paternity/Enforcement

CHILD SERVICE COORDINATOR

Julie Gondert

PROGRAM REPORT FOR 2006

ADMINISTRATION OF THE CHILD SUPPORT PROGRAM

The nationwide child support enforcement program was created in 1975 by Title IV, Section D of the Social Security Act. The program, often referred to as the "IV-D Program" is designed to establish paternity for children born outside of an intact marriage, and to establish and enforce child support and health insurance obligations for the many children who do not live with both of their parents.

To receive IV-D program services, a parent must either be referred by another agency providing some type of public assistance or fill out an application form and pay a one-time \$25 fee for services. As an IV-D case participant they are offered a wide variety of services to assist them in receiving the child support to which they are entitled through judicial and administrative process.

A typical non IV-D case is one in which parents or alternative caretakers do not apply for IV-D services. The IV-D agency is required to monitor and maintain these records but the cost of doing so is not reimbursed by a federal funding match.

The Wisconsin IV-D program is a state-administered and county operated program. The Wisconsin Department of Workforce Development, Division of Workforce Solutions, and Bureau of Child Support (DWD/DWS/BCS) is responsible for the overall administration of the program. At the local level, 71 county and 3 tribal child support agencies operate in accordance with the provisions of a state and county contract, state and federal laws, administrative rules, and federal regulations governing child support establishment and enforcement.

IV-D program funding comes from a variety of sources. At the county level, a mixture of federal, state, and county revenues support the IV-D Program. Generally, federal financial participation, as a primary source of federal and state revenues, is available for necessary and reasonable expenditures of the IV-D Program. The federal financial participation rate is 66% of every dollar claimed by a county for most expenses in the program. The county contributes the remaining 34% through other county funding or other state and federal revenues.

Like all Wisconsin county child support agencies, Jefferson County works

directly with families to establish paternity, establish and enforce child support, obtain health insurance, and to provide the program's core services. These services include but are not limited to a significant number of judicial enforcement proceedings, tax intercept, lien account seizures, new hire reporting, credit bureau reporting, and license suspension.

Jefferson County Child Support Agency enters into cooperative agreements with other county agencies or service providers to administer the program. These providers include Clerk of Courts, Corporate Counsel, Family Court Commissioner and the Sheriff's Department.

We use purchase of service agreements to provide interpreters for paternity interviews, service of documents and to answer a phone service in Spanish. The preceding year's trend reversed this year with a decrease in cost of almost 8 % to require an actual cost of \$5950.60. (The Child Support Agency does not have a bilingual person on staff.) This amount does not include the cost of interpretation for court proceedings which is covered in the Clerk of Courts budget.

We also use purchase of service agreements for the occasional contract with private bar members to perform legal services on behalf of the agency. This is necessary when the agency attorneys have a conflict of interest or we are scheduled for appearances in more courtrooms than we can cover. All of these service expenditures are federally reimbursed at the regular program rate of 66%.

2007 budgeted reimbursements to the cooperative agencies in Jefferson County were as follows:

Family Court Commissioner	\$45,085.90
Clerk of Court	\$34,597.44
Sheriff's Department	\$14,407.42

During 2007, the Child Support Agency scheduled regular block times on the Family Court Commissioners calendars for three (3) half-days of hearing time each week for enforcement matters plus 1 half-day 2 times each month for paternity hearings.

The Child Support attorneys also appeared in front of the Family Court Commissioners for additional hearings scheduled outside the block times and in the Circuit Court branches as needed. We provide legal services to those who have been referred because they are receiving public assistance

or have paid an application fee and completed a request for our services.

In all, the Child Support Attorneys appeared some 1475 times on behalf of the state in proceedings scheduled for Family Court in 2007. More than half of these hearings were in the nature of contempt proceedings brought against child support obligors who are not paying their support. Order to Show Cause/Contempt actions continue to be an important tool for enforcing child support orders in Jefferson County. (*See Attachment: Child Support Hearings in 2007.*)

We continue to be concerned that these actions may have to be curtailed if the funding cuts imposed by the Deficit Reduction Act of 2005 are not restored or replaced. We have joined efforts with other counties to personally visit, call and write to Wisconsin's federal legislators to support pieces of legislation in both the Senate and House of Representatives that will rescind the funding cuts. At this writing, we have reason to hope that some or all of the funding could still be restored.

In addition to the court hearings, office appointments are scheduled with specialists and attorneys to gather information or reach stipulated agreements in many of our paternity and enforcement matters.

In accordance with Federal guidelines we review child support orders of participants who are receiving assistance every three years. Although many payers are able to increase the amount of their earnings and therefore the amount of support for their children, other orders may be decreased or suspended for a variety of reasons. A significant number of payers in our community continue to experience layoffs, cutbacks in hours, loss of higher paying jobs, or incarceration. These conditions are most likely to cause a lowering of amounts in their child support orders and sometimes in temporary suspension of child support payments while payers search for new jobs.

Our specialists and attorneys also review pro-se agreements of parties who have an application for IV-D services on file but are not receiving public assistance. These agreements are between parties seeking to modify their orders for support and custody without a courtroom hearing. Because Jefferson County has no pro bono program to assist pro-se litigants, our attorneys and specialists have responded to increasing demands on their time to help the case parties edit their agreements so they will be approved.

A major change in the review and adjust process that provides for parties to

seek their own modification of their orders was implemented during 2007. The child support agency no longer conducts the reviews for those case participants who are not receiving current public assistance. This service is now being made available by offering pro se forms to the case participants available at the Clerk of Courts office. The parties may obtain a copy of their payment record from the IV-D office. Participants receive very thorough instructions to help them complete the forms and get a hearing date for an appearance in front of the Family Court Commissioner.

Finally, an unexpected additional windfall of money came to us as the result of overall performance by the state in Federal Fiscal Year 2005. Our agency then qualified for a full distribution of possible funds because of our performance and we could use it for any expenditure to enhance the program. It was decided that the best way to use these monies was to upgrade our technical equipment that was aging out. We put dual monitors on each desk, purchased a new copier for the hearing room, and have 14 computers in their boxes sitting in a corner in our conference room. We will have them installed as soon as the complications with the Vista software on these computers are resolved.

DOCUMENT IMAGING

We accepted the low bid from Integrated Imaging to begin our move to document imaging and storage. Andy Erdman in Land Information generously lent his expertise and some extra licenses we could purchase to get the Stellant software working for our scanning needs in early 2007. We started scanning court orders in March by setting up one scanner inside the child support office and one in Room 205 which we use for the bulk of the child support hearings. Those orders made in Room 205 are scanned as soon as the orders are signed. Those orders from hearings held in Room 220 are scanned by the attorneys as they return to the child support office. Orders that come into the office from external sources such as mail or hand-delivered documents from private law offices are scanned on a daily basis inside the child support office.

The new scanning process proved to be a time-saving move and we were able to process court orders into the KIDS system and out to employers as withholding orders in a one to two day timeline. The faster transmittal of withholding orders to employers was appreciated by the case parties because the payroll withdrawals could be adjusted immediately and they did not have too much or too little withheld from the next check.

The plans for Phase II of the scanning operation is ready to go as soon as some technical disconnects between new computers which are loaded with Vista programming and the Stellant software used for imaging are resolved. Phase II will move the focus of our efforts to scanning our paper files. We will retain only a small portion of the papers we now keep in our paper files and will reduce the amount of paper that we must store by more than half. We are hopeful that MIS will be able to work out "the bugs" in the Vista software so that we can launch this project by early summer.

The Phase II scanning project will be a major undertaking and too labor intensive to do anything except go forward from the date that we start. In spite of the prospect of not being able to scan older records, we expect the increasing ability to access most file documents on line will be a real time saver. The secondary benefit of needing less storage space will also save time when we do not have to pull paper files for most of the actions we take to enforce orders.

KIDS INFORMATION DATA SYSTEM

The Kids Information Data System (KIDS) automates child support services and payments throughout Wisconsin. It provides an automated case management and financial management structure that the counties can use to establish, modify or enforce child support orders. Information is retrieved from data matches with other Wisconsin agencies such as Department of Transportation, Department of Natural Resources, Department of Revenue, as well as from financial institutions, and Employer New Hire Reports. Some or all of these resources are used to get locate information, to track payments and/or delinquency amounts, and to discover assets that may be available for child support.

In addition to all of the automated enforcement tools provided by KIDS, the system continues to produce enormous numbers of documents. The child support program produces 5,700,000 documents statewide annually. About 1,800,000 of these are printed and mailed from the county agencies. An estimated 150,000 documents are generated by our local county staff.

Postage costs have continued to climb upward over the past several years and constitute a significant portion of our annual budget. Happily, Jefferson County experienced a surplus in our postage account this year. Some of that was accomplished by finding a number of small ways that we could

reduce mailings from the office. We also benefitted when the state assumed the mailings for the debit card project that was launched in the last half of 2007. The extensive public relations effort to get the debit card program tested and started would have broken our budget if the county had been required to bear this cost.

SUPPORT COLLECTIONS TRUST FUND

The federal Personal Responsibility and Work Reconciliation Act of 1996 (PRWORA) required states to provide a central payment processing facility.

The Wisconsin Support Collections Trust Fund (WI SCTF) operation processes child support collections at a central location in Milwaukee. The State Distribution Unit (SDU) collects and distributes nearly \$1 billion of IV-D child support payments each year. The SDU processes 98% of all payments within 24 hours.

The WI SCTF customer service information line is available to payers and payees 23 hours per day, seven days a week.

The Interactive Voice Response (IVR) will provide information on the two most recent collections to payers and the two most recent payments to payees. A metro line in Milwaukee or an 800 number from a touch tone phone outside of Milwaukee is available in English, Spanish and Hmong. Privacy concerns are met by use of a KIDS Personal Identification Number and then entry of the callers Social Security Number and Date of Birth to get connected to the payment record information.

Each child support agency is responsible to oversee operations of the individual accounts in the county. Our Financial Specialists monitor a "suspense report" daily to make adjustments and resolve conflicts of payment information so that the money flows smoothly from the support collection to the payments to parents. Although most collection and disbursement information is available through automated systems, appointments may be scheduled with the financial support specialists to review the payment record when payers or payees allege an error or have questions about the payments received from employers on their behalf.

Payment records are available through the WISCTF by direct request from case parties or attorneys to prepare for procedures to establish, enforce or modify court orders.

Collections for all IV-D and non IV-D cases in Jefferson County totaled \$ 13,902,908.29 in 2007. (*See Child Support Collections in 2007.*)

We are encouraged to see that our month by month collections were quite consistent throughout the year. We were able to generate some sustainable increases that we can directly attribute to the working of certain reports that helped us clean up or close non-productive cases. (See *attachments on 2006-2007 comparisons.*)

Our child support office receipts money only in emergency situations such as payment of a purge to release a payer from jail. Case participants may get help at the customer service window to correctly fill out the coupons that must accompany any payment.

DEBIT CARD

In September, 2007, Jefferson and St. Croix counties piloted the new Wisconsin Support Collections Debit Card program. This change to electronic disbursements for most child support, maintenance and other support-related payments to custodial parents (hereinafter CPs) was expanded to the balance of the state before the end of the year. CPs were encouraged to sign up for direct deposit with their financial institutions but if they did not do so, they received their child support payments on a Visa debit card. Their cards can be used in ATM machines to get cash or can be presented at many retail establishments to obtain goods.

Although most of the payments are now processed through the debit card or direct deposit, a county worker may enter a “check override” to authorize the issuance of paper checks. This method is used only when absolutely necessary for persons who have a protective payee, are incarcerated, or for those custodial parents who do not have a social security number or a verified U.S. address.

Although the vendor had some recent difficulties getting the monthly statements out to payees, that problem has now been corrected. This enables the recipients to more accurately track their accounts and curtails the number of calls to the agency from customers who are looking for payments.

LIEN DOCKET

The Wisconsin Child Support Lien Docket, an administrative enforcement tool authorized under sec. 49.854 Wis. Stats., is used to record liens against obligors arising from unpaid child support. The lien docket includes the combined arrearage amounts for all Wisconsin court orders in which eligible arrearages meet or exceed the threshold of \$500. This includes arrearages to custodial parents, to foster care and kinship care, and old AFDC debts. Those payers listed on lien docket are sanctioned by use of a number of enforcement tools, including but not limited to license suspension or levies on financial accounts, real estate, and personal property.

Unfavorable credit reports and passport denials are also employed as a means to encourage child support payers to take care of their obligations.

We have effectively used this enforcement tool to collect \$515,380.20 of child support arrearages for Jefferson county families since 2001. Payers may avoid the loss of their driver's or recreational license if they contact the child support office and enter into an approved payment plan to remit their child support.

COUNTY PERFORMANCE

The child support contract between the Department of Workforce Development and local agencies specifies that certain funds will be awarded on a performance basis. The performance-based funding for 2007 was determined by the agency's performance level for the prior federal fiscal year in paternity establishment, collections in cases with orders, and court order establishment. Jefferson County received the maximum award (100% of available funds) for our agency in the measured categories.

Paternity establishment:

Jefferson County	112.03%
Statewide target	90.00%

Cases with Court Order:

Jefferson County	91.55%
Statewide target	80.00%

Collection/case w/order	
Jefferson	78.58%
Statewide target	80.00%
Collection/case w/arrears	
Jefferson	78.59%
Statewide target	80.00%
Total Collections	\$13,902,908.29
IV-D Collections only	\$9,954,758.34
Total Expenses	\$1,054,277.05

Our agency has been able to maintain a cost effectiveness ratio of more than \$9.00 collected for every \$1.00 spent. (9.44/1.00)

PROGRAM DIRECTION

Major goals for the Jefferson County Child Support program remain focused on our day to day efforts to increase our collections of current support and arrearages, establish paternity and attempt to have a court order for every case we must open. To that end we make use of numerable reports provided by the state office to eliminate duplications of effort that do not support increased productivity.

Our web page was given a major facelift last year. We have continued to add new features to make our services more widely known to consumers. Case participants can easily access the numbers they need to call to receive information from the Wisconsin Support Collections Trust Fund or the Wisconsin Child Support website.

We expect to move forward with our scanning project and start scanning case files by early summer of 2008. The plan is to only go forward from the date we begin scanning. We do not have the ability time or money wise to do any retroactive scanning. Even so, we expect to immediately realize some cost saving on the reduction of time it takes to maintain paper files. Our current expenditure of time and effort to find files and manually file hundreds of pieces of paper each week is overwhelming. Our inability to

keep up with the filing means that often times we are digging through fifty pieces of paper to find a page we need for an appointment or a hearing. Our staff is already familiar with the scanning and indexing functions so we do not expect very much additional training will be needed.

We are still hopeful that there will be a favorable outcome to our push for Congressional restoration of the child support funds that were cut by the Deficit Reduction Act of 2005. Senate Bill 803 and House of Representatives Bill 1386 have gained wide bipartisan support on Capitol Hill. It is expected the two bills will not pass separately but will become an attachment to other bills awaiting approval by Congress. We can only hope such an opportunity will arise before the next legislative periods expire.

In spite of our redoubled efforts to reduce the number of cases that receive no payments, this problem continues to be a major hurdle in realizing our performance numbers. Enforcement options are limited with the growing community of workers in our caseload who frequently work in the cash economy or work under aliases and may not be subject to the automatic income withholding provisions of the state statutes. Additionally, there appears to be an increasing number of payers who have periods of incarceration or have pending claims for disability. Although the requisite conditions for case closure have been expanded by state policy changes in some instances, we have too many open cases where we cannot locate or get payments from the child support payers. We have no remedy to blunt the effect of case parties who cannot be found or will not cooperate to get interim orders while these conditions of no pay are pending.

The program direction of the Jefferson County Child Support Agency always includes our selective but vigorous participation in the statewide activities that affect us. Various members of the Jefferson County staff participate as members of the Bureau of Child Support work groups addressing financial records examination, improvements to the KIDS system and development of new legal documents. Some individuals are asked to participate on ad hoc special interest committees until a change or modification of the program is developed.

The child support supervisor is a board member for our state organization, the Wisconsin Child Support Enforcement Association. She is also a member of the Policy Advisory Committee to the Department. Her attendance at Contract and Budget Committee meetings helps us stay informed and responsive to future planning that affects county operations. The Agency Director continues her long-standing membership on the Legislative Committee for WCSEA which stays abreast of the many

legislative changes and more importantly keeps very close track of the state budget process to ensure that our program is adequately funded.

With the many challenges of funding cuts and budget shortfalls from federal and state program funding it is a certainty that efforts will continue to look for ways to reorganize and restructure certain program tasks and functions between the state and counties and between counties themselves. The KIDS system needs to be modernized out of the 20th century. One of our financial specialists has been invited onto the KIDS Document Business Process Reengineering Project and is contributing her expertise in current procedures and requirements as they develop the reengineered processes.

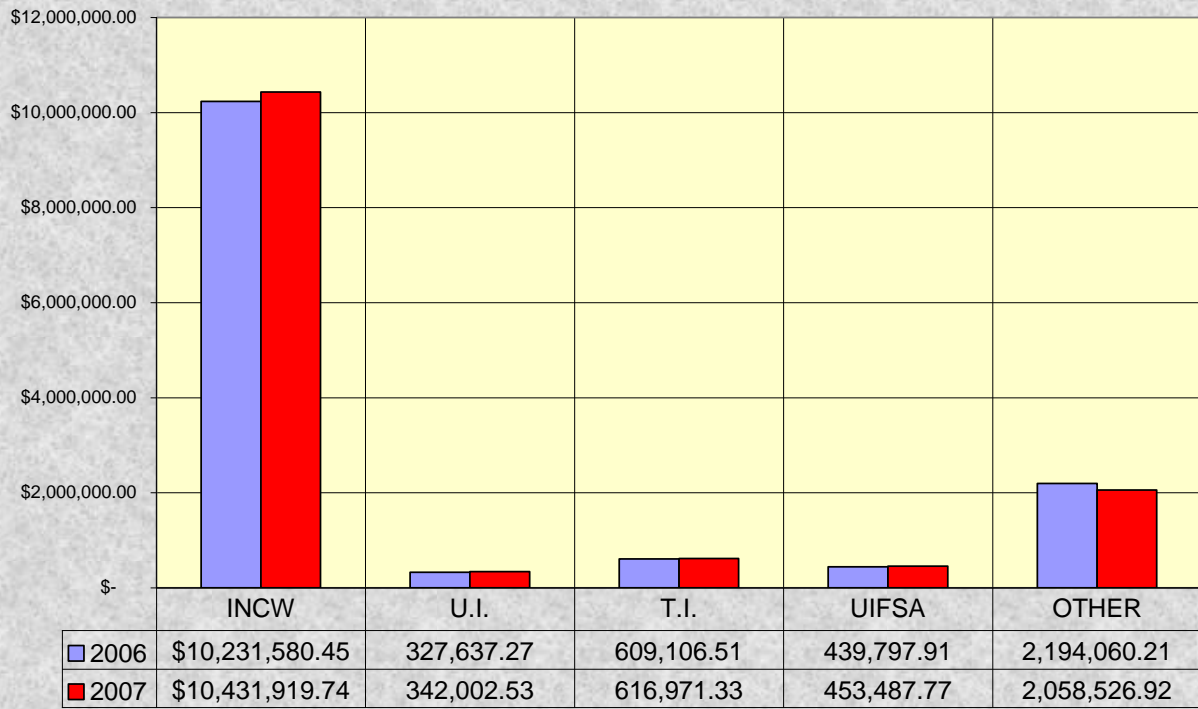
We expect that we will once again qualify for all performance measures and receive 100 % of available funding for 2008. Our children are our future and the staff of the Jefferson County Child Support Agency is committed, with your support and help, to sustaining our good efforts to ensure their bright future.

Jefferson County Child Support Division - Collection Comparison Report 2007

Month		2007 Current Month Collections	2006 Same Month Last Year Collections	2007 No. # of Cases In CSD	2007 Average \$ Per Case Collections	% Change from Same Month Last Year
2007						
January	CSD Collections	\$757,175.07	\$842,072.59	3,883	\$217.87	-9.71%
	Tax Intercepts	\$6,680.12	\$3,920.43			
	Totals	\$763,855.19	\$845,993.02			
February	CSD Collections	\$716,358.72	\$845,518.51	3,899	\$209.02	-10.78%
	Tax Intercepts	\$98,613.13	\$67,944.13			
	Totals	\$814,971.85	\$913,462.64			
March	CSD Collections	\$810,584.18	\$788,768.23	3,890	\$241.20	2.65%
	Tax Intercepts	\$127,679.03	\$125,289.46			
	Totals	\$938,263.21	\$914,057.69			
April	CSD Collections	\$753,318.71	\$761,268.06	3,911	\$218.67	-0.06%
	Tax Intercepts	\$101,887.56	\$94,474.37			
	Totals	\$855,206.27	\$855,742.43			
May	CSD Collections	\$775,746.55	\$796,615.08	3,903	\$230.37	-4.82%
	Tax Intercepts	\$123,393.08	\$148,026.26			
	Totals	\$899,139.63	\$944,641.34			
June	CSD Collections	\$797,573.44	\$763,310.31	3,889	\$219.77	2.09%
	Tax Intercepts	\$57,127.47	\$73,921.59			
	Totals	\$854,700.91	\$837,231.90			
July	CSD Collections	\$800,441.79	\$756,426.39	3,880	\$209.06	4.06%
	Tax Intercepts	\$10,691.74	\$23,085.07			
	Totals	\$811,133.53	\$779,511.46			

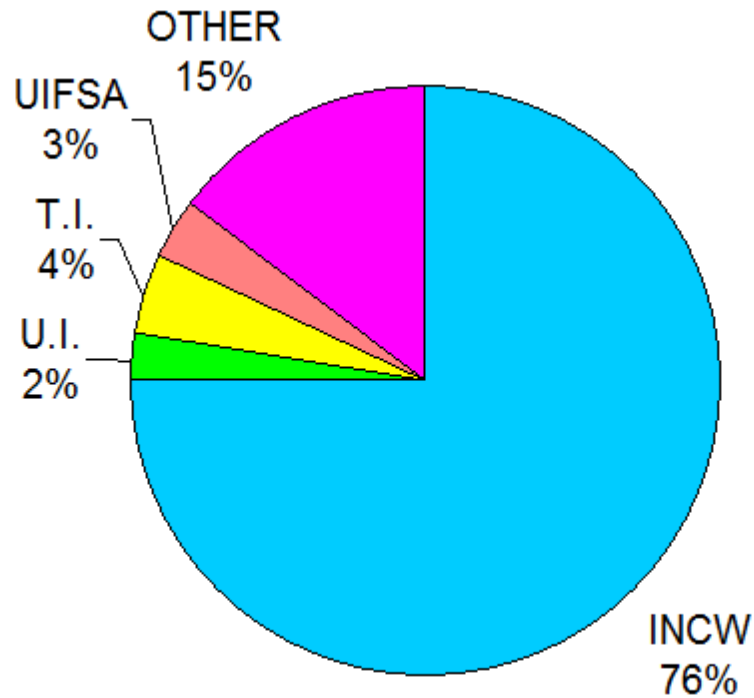
August	CSD Collections	\$804,183.79	\$753,409.05	3,852	\$216.03	8.77%	
	Tax Intercepts	\$27,952.00	\$11,653.13				
	Totals	\$832,135.79	\$765,062.18				
September	CSD Collections	\$749,487.45	\$730,272.46	3,890	\$196.39	0.98%	
	Tax Intercepts	\$14,465.46	\$26,239.42				
	Totals	\$763,952.91	\$756,511.88				
October	CSD Collections	\$803,210.73	\$781,649.95	3,939	\$207.62	3.52%	
	Tax Intercepts	\$14,613.88	\$8,376.57				
	Totals	\$817,824.61	\$790,026.52				
November	CSD Collections	\$792,977.50	\$752,793.87	3,904	\$209.63	5.35%	
	Tax Intercepts	\$25,421.06	\$24,025.30				
	Totals	\$818,398.56	\$776,819.17				
December	CSD Collections	\$776,729.08	\$748,472.69	3,908	\$200.92	4.60%	
	Tax Intercepts	\$8,446.80	\$2,150.78				
	Totals	\$785,175.88	\$750,623.47				
				2007 Collection YTD	2006 Collections Same Months	Amount of Change "06" to "07"	% Change "06" to "07"
				\$9,954,758.34	\$9,929,683.70	\$25,074.64	0.25%

Child Support - Collection Comparison 2006/2007



2007 Child Support Collections

(IV-D and NIVD)



Total Collections			
Income Withholding	INCW	\$	10,431,919.74
Unemployment	U.I.		342,002.53
Tax Intercept	T.I.		616,971.33
Other States	UIFSA		453,487.77
Other Sources	OTHER		2,058,526.92
Totals		\$	<u>13,902,908.29</u>

Child Support Hearings in 2007

<u>Type</u>	<u>No. Hearings</u>
Initial Paternity	103
Paternity Pretrial	95
Contempt - Genetic Tests	5
Establish Support & Health Ins.	44
Action to Compel	106
Modification of Support	262
Establish Pymt on Arrears	9
Contempt - Non Support	851
TOTAL IV-D HEARINGS	1475

